Province of
British Columbia

Ministry of Municipal Affairs

Report of the fiscal year ended March 31, 1986

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To the Honourable Robert G. Rogers

Lieutenant Governor of the Province of British Columbia

MAY IT PLEASE YOUR HONOUR:

I have the honour to transmit herewith the Annual Report of the Ministry of Municipal Affairs for the fiscal year ended March 31, 1986.

Rita M. Johnston

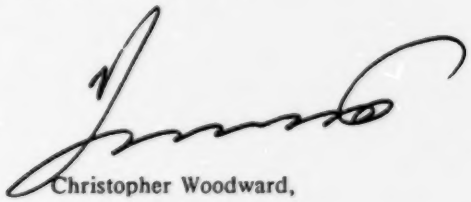
Minister of Municipal Affairs

To The Honourable Rita M. Johnston

Minister of Municipal Affairs

Madam:

I have the honour to submit the Annual Report of the Ministry of Municipal Affairs for the fiscal year ended March 31, 1986.



Christopher Woodward,

Deputy Minister of Municipal Affairs

TABLE OF CONTENTS

	Page
ACTS ADMINISTERED BY MUNICIPAL AFFAIRS	4
MINISTRY PURPOSE	5
KEY LEGISLATION	6
MINISTRY ORGANIZATION	7
THE YEAR IN REVIEW	10
MINISTRY BRANCH REPORTS:	
Municipal Administrative Services Branch	13
Municipal Financial Services Branch	16
Development Services Branch	21
Central Services Branch	25
Financial Services Section	26
Policy and Research Branch	30
Investigations Branch	32
Building Standards Branch	33
Engineering Branch	34
Communications Branch	35
ISLANDS TRUST REPORT	36

ACTS ADMINISTERED BY MUNICIPAL AFFAIRS

Municipal Act

Ministry of Municipal Affairs Act

Revenue Sharing Act

Municipal Finance Authority Act

Home Owner Grant Act (S.B.C. 1980)

Provincial - Municipal Partnership Act

Islands Trust Act

Mobile Home Tax Act

Municipalities Enabling and Validating Act

Resort Municipality of Whistler Act

Local Services Act

New Westminster Redevelopment Act 1979

Diking Authority Act

Municipal Aid Act

MINISTRY PURPOSE

The primary purpose of the Ministry of Municipal Affairs is to sustain a comprehensive system of local government in British Columbia. The ministry maintains the day-to-day functioning of the system -- through advisory, supervisory, and other programs -- and ensures that the structure and resources of the system are commensurate with its needs. Implicit in this mandate is a fundamental belief in the inherent value of local government.

A secondary purpose of the ministry is to develop and enforce structural and plumbing standards. While electrical, engineering and fire safety standards are the responsibility of other ministries, the Ministry of Municipal Affairs is a key actor within this provincial policy field, ie. preserving health and safety through sound construction and installation practices. The ministry aims to maintain structural and plumbing standards which are cost effective and adaptable to changing construction techniques, new building materials and the evolving needs of the province's citizens.

KEY LEGISLATION

The ministry exercises constitutional powers regarding local government assigned to the province under the *Constitution Act* (Canada). Local governments in Canada exist only to the extent that provincial governments see fit to create them. In British Columbia, this is reflected in the fact that municipalities, regional districts, and improvement districts are corporate bodies, upon which the provincial legislature has conferred certain rights and liabilities. These are are set out primarily in the *Municipal Act*. This large and comprehensive statute establishes the legal, political, and economic framework within which local governments operate.

Specifically, the *Municipal Act* determines: specific requirements for the incorporation and structure of municipalities, regional districts and improvement districts; rules for governing local elections; the basic powers and duties of municipalities for service provision and the regulation of persons and property; powers and requirements for the management of public funds; powers regarding taxation; and rights and duties retained by the province for the supervision of local government conduct and performance.

Provisions of application to *specific* areas are contained in a variety of acts. The *Vancouver Charter* is the basic governing statute for the City of Vancouver. The *Municipalities Enabling and Validating Act* collects miscellaneous provisions respecting several local governments. The *Islands Trust Act* and the *Resort Municipality of Whistler Act* recognize the special planning and land use control imperatives in the Gulf Islands and Whistler respectively.

Other major statutes administered by the ministry include the *Revenue Sharing Act*, the *Home Owner Grant Act* and the *Municipal Finance Authority Act*. The *Revenue Sharing Act* establishes the revenue sharing fund and provides for the sharing of provincial revenues with municipalities and regional districts. The *Home Owner Grant Act* provides for a provincial tax credit to reduce the property taxes payable by qualifying home owners. The *Municipal Finance Authority Act* establishes the Municipal Finance Authority and empowers it to issue securities to finance all long-term capital requirements of regional districts and municipalities.

MINISTRY ORGANIZATION

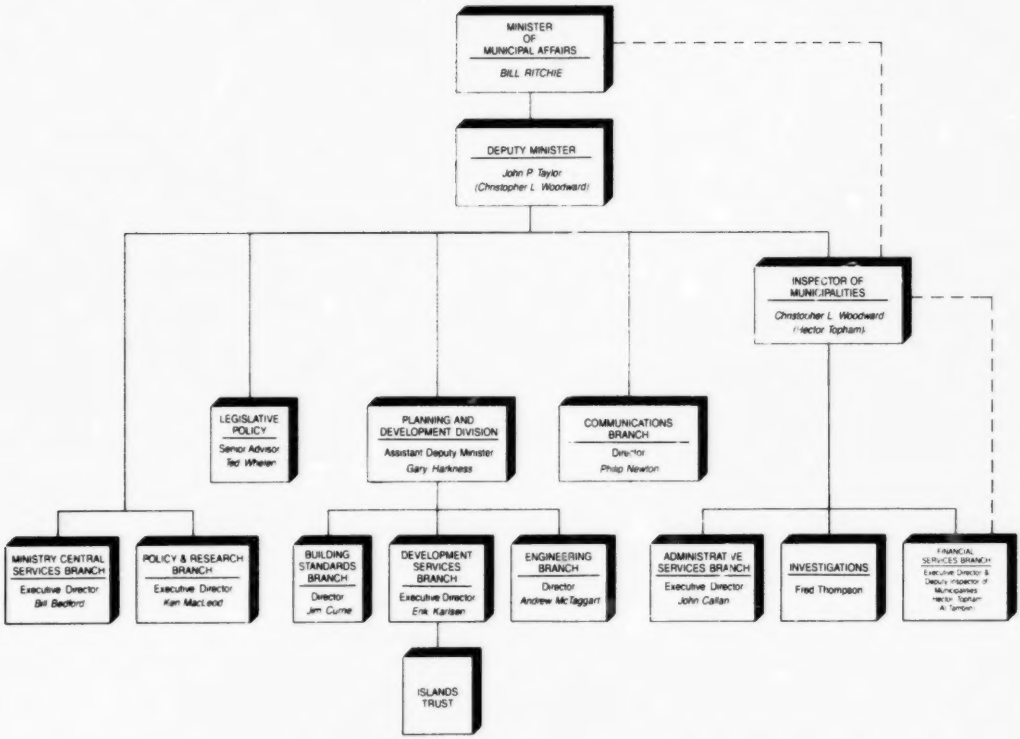
The Ministry of Municipal Affairs provides programs and services in three broad categories:

* client programs
* special services
* ministry services

Client programs provide basic services to local governments, including the provision of financial support. Preparation and amendment of letters patent, review and registration of bylaws and provision of technical advice are key client program activities. *Special services* include the building standards, settlement planning and technical planning programs. The Islands Trust is also found within this category. *Ministry services* are internally directed services to achieve effective and efficient management of the ministry itself.

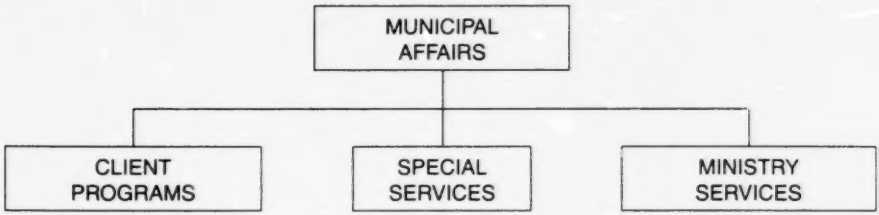
The ministry is organized into two divisions, Planning and Development Services and the Municipal Administrative Division under the Inspector of Municipalities, each division containing three branches. A number of autonomous branches also exist. Minor changes occurred in the Ministry's organizational structure in the year. The *Islands Trust Amendment Act, 1985*, removed the authority of the trust to appoint staff. The Act now provides for the assignment of ministry staff to serve the trust. The ministry's Development Services Branch was reorganized to handle these duties. A further development during the year was the closure of the technical planning office, formerly part of Development Services. Also during 1985-86 the ministry established a Communications Branch to further ministry relations with its clientele and the general public. At year's end, the ministry had a staff of 94 full-time equivalents.

Ministry of Municipal Affairs
Organization Chart



Personnel with names in parentheses assumed their positions late in the year.

Programs of the Ministry of Municipal Affairs



Local Government Development:
—letters patent
—restructure

Supervisory Services:
—bylaw processing
—financial statement/CEP review
—investigations

Advisory:
—guide/manual production
—professional advice

Financial Assistance:
—revenue sharing

Improvement District Services:
—letters patent
—supervisory services
—advisory services

Economic Development:
—partnership program
—downtown revitalization

Client Information:
—publications
—MFIS reports
—legislation

Municipal Education Services:
—education programs (Board of Examiners; UBCM scholarships)

Building Standards:
—building standards development
—appeals
—building standards information

Islands Trust:
—planning
—land use regulation

Settlement Planning:
—community development
—major project review

Ministry Resources:
—executive management
—financial administration
—office administration
—personnel administration
—communications

Legislation:
—legislative program
—legislative monitoring

Policy and Research:
—policy/program analysis
—urban policy research
—library
—legislation

Information Systems:
—ministry computer
—systems development

Monitoring:
—MFIS and MDS reports
—trend analysis

THE YEAR IN REVIEW

Ministry activities in fiscal year 1985-86 responded to three main provincial concerns: the low performance level of the provincial economy; a need for improved and modernized legislation; and the ongoing need for more efficient program administration.

The ministry contributed to provincial economic renewal with the inauguration of the Provincial-Municipal Partnership program. The ministry also responded to the major financial concerns of local governments, including escalating insurance premiums and volatile revenue sharing disbursements.

In the legislative sphere, significant modifications were made to the *Municipal Act* concerning management of development (Part 29). Legislation was also passed to introduce the Provincial Municipal Partnership Program. Work commenced on a significant revision of the regional district legislation (part 24).

With respect to ministry operations, two separate reorganizations took place: the technical services unit was closed and the Islands Trust staff were formally merged with ministry staff. Additionally, a major investment was made in a central ministry word and data processing facility. The investment should result in substantial improvements in program administration.

Legislative Summary

The Ministry of Municipal Affairs sponsored legislation in five different government bills during the year. The five bills were:

Bill Number	Title	S.B.C. Chapter Number
22	Revenue Sharing Amendment Act, 1985	55
25	Provincial-Municipal Partnership Act	19
30	Islands Trust Amendment Act, 1985	38
56	Misc. Statutes Amendment Act (#3), 1985	52
62	Municipal Amendment Act, 1985	79

Of these, Bill 25 and Bill 62 were the most significant.

The chief purpose of the *Municipal Amendment Act* (Bill 62) was to revise and consolidate current law concerning local land use planning and associated regulation through **Part 29: Management of Development**. Part 29 authorizes municipalities and regional districts to: adopt official community plans; adopt rural land use bylaws (regional districts only); adopt bylaws to regulate land use; issue permits of various sorts; impose development cost charges; and adopt subdivision bylaws. The creation of Part 29 represents the most significant amendment of the *Municipal Act* since 1977.

The *Provincial-Municipal Partnership Act*, along with companion legislation introduced by the Minister of Finance, provided authority to inaugurate the Provincial-Municipal Partnership Program. Under this program, the minister is authorized to enter into partnership agreements with municipal governments. This in turn enables municipalities to provide property tax relief to qualifying industrial properties. Equally significant, the Partnership Agreement qualifies the municipality to receive funding and assistance when conducting their own economic development activities.

Efforts were launched during the year to prepare two significant pieces of legislation. In response to significant insurance premium increases experienced by local governments, a major review of the liability provisions of the *Municipal Act* was undertaken.

Also, a Regional District Legislation Review Committee was established late in 1985 to consider new legislation to replace Part 24 of the Municipal Act. Work on these items was still in progress as the year closed.

Budget

The budget of the Ministry of Municipal Affairs has three components. First, there are voted appropriations. The three votes during the year were:

*Vote 57, Minister's Office
*Vote 58, Operations and Administration
*Vote 59, Municipal Revenue Sharing

The voted expenditure for Municipal Revenue Sharing is subsequently transferred to the second component, the Statutory Revenue Sharing Fund. The third component of the budget is a statutory special account for Downtown Revitalization.

The ministry's voted expenditure increased from $183.9 million in the year previous to $242.4 million in fiscal year 1985-86. This is a $58.5 million or 32% increase. The increase is entirely accounted for by an increase in provincial revenue, which had the effect of increasing the Revenue Sharing Vote. An increase of $60.4 million (35%) in the Revenue Sharing Vote was accompanied by a $2.0 million (27%) decline in the vote for ministry operations and administration, for a net change of $58.5 million.

The ministry's budget continues to reflect its service orientation to local government. Fully, 97.9% of the ministry's voted appropriation is dedicated to grants and contributions to local governments in the province. The operating costs of the ministry total only 2.1% of total voted expenditure and is allocated to ministry operations, including salaries and benefits.

Revenue Sharing

In 1977, the *Revenue Sharing Act* was adopted for the purpose of establishing a fund representing a fixed proportion of provincial general revenue. Funds diverted to revenue sharing are subsequently allocated to local governments. The revenue sharing program is regulated by the act and its regulations. The act establishes the fund, whereas the regulations disburse cash support through a variety of grants.

In 1985, the act was amended to provide for a **grant stabilization account** to enhance long term budgeting on the part of municipalities. Money set aside in this account is to be used to stabilize the disbursement of unconditional grants from year to year. The regulations were amended in the year: a) to provide a means for paying grants to newly incorporated municipalities where there is no dependable information on population; and b) to append Part XIV concerning grant stabilization.

The revenue sharing fund is generated from a number of provincial revenue sources. The Act is very specific about the sources and how much is to be contributed by each of them. Each year the fund receives the sum of: a) one point of provincial personal income tax; b) one point of provincial corporation income tax; and c) 6 percent of a number of other provincial revenue sources. For the fiscal year 1985-86, the amount generated from these sources was $235.0 million, an increase of nearly 35 percent from

the previous year. In the same year, $31.0 million was set aside in the grant stabilization account. The following table illustrates the distribution of the money available among the different components of revenue sharing.

Type	Name and Part	1985 $ in Millions	%
Revenue Supplements	Basic Municipal — Part I	6.27	
	Regional District Grants — Part VII	1.27	
	Unconditional — Part VIII	90.37	
	Total	97.91	40.6
Infrastructure Subsidies	Water Facilities: Old — Part II	39.72	
	Water Facilities: New — Part II	1.97	
	Municipal Highway — Part V	5.36	
	Sewer Facilities: Old — Part XI	60.67	
	Sewer Facilities: New — Part XI	0.90	
	Transmission Line — Part XII	0.05	
	Total	108.67	45.1
Planning/ Study Grants	Municipal Planning — Part VI	0.62	
	Sewer/Water Study Grant — Part XIII	0.22	
	Total	0.84	0.4
Restructure	Restructure Grant — Part X	2.58	1.1
Stabilization	Stabilization Fund — Part XIV	31.00	12.9
	Grand Total	$241.00	100.0

40.6 per cent of the fund was disbursed to local governments in the form of revenue supplements. Infrastructure grants consumed another large segment, 45.1 percent, of available funds. The transfer to stabilization represented 12.9 percent and all other grant programs accounted for 1.5 percent of total disbursements.

MINISTRY BRANCH REPORTS

MUNICIPAL ADMINISTRATIVE SERVICES BRANCH

Responsibilities

The Administrative Services Branch is comprised of the Municipal and Regional District Section, and the Improvement District Section.

The Municipal and Regional District Section reviews municipal and regional district bylaws for substance and form, coordinates references to other agencies where required, and prepares recommendations for approval by the minister or the inspector of municipalities. The section also evaluates information and prepares documentation on matters such as regional district functions, specified areas, municipal incorporations, boundary extensions, and local government administration. Advisory services are also provided to local and regional governments.

The Improvement District Section combines both administrative and financial reviews of improvement district activities. The administrative component covers the same responsibilities as spelled out above for municipalities and regional districts. The financial component stems from a need to maintain financial stability by providing advice on all aspects of local government finance, including current and long-term budgetary requirements and capital financing. Long-term capital financing proposals are also reviewed for approval by the inspector of municipalities.

Administrative Services staff carried out 4 field trips in response to municipal and regional district activities in 1985/86.

These trips involved visits to 23 municipalities and 4 regional districts. In addition, Administrative Services staff represented the ministry at various chapter meetings of the Municipal Officers' Association. There were 12 field trips on improvement district matters.

New Incorporations and Other Changes in Local Government Structure

As a result of the incorporation study undertaken in the Colwood area, the Minister of Municipal Affairs directed that a poll be held on the question of the incorporation of the area as a city municipality. The result of the poll was affirmative. By letters patent, effective June 24, 1985, the City of Colwood was incorporated.

Studies of the restructure of local government in Sechelt and Quesnel were continued while the restructure study for the Parksville area was discontinued. The status of Parksville was changed from a town to a city municipality, effective February 15, 1986. Studies of the feasibility of incorporation continued in Lantzville, Okanagan Landing, and Woss Camp.

Municipal Boundary Revisions

Supplementary letters patent were issued during 1985 authorizing 12 extensions and/or revisions in boundaries for 12 municipalities. The municipalities affected, together with the resulting adjustments in area and changes in population, are indicated in Table 1. A local census is taken in the extended area and added to the original population established under the 1981 census in order to arrive at a new municipal population following extension. (See Table 1 -- Municipal Boundary Revisions 1985/86)

Approvals by the Minister

During 1985/86, 1,091 items were considered and approved by the minister. Of these, 718 were for municipalities: 66 involved abandonment and vesting of highways; 95 involved adjustments to water, sewer, and electricity rates; 35 involved appointments of members to municipal boards of variance; and the remaining 522 involved miscellaneous municipal requirements.

A further 373 items were for regional districts: 11 involved appointments of members to regional district boards of variance; 13 involved building bylaws; and 349 involved miscellaneous regional district requirements.

Bylaw Registrations

Bylaws in this category were examined for compliance with various provisions of the *Municipal Act* and other statutory authority. A total of 1,163 bylaws were reviewed, consisting of 552 for villages, 26 for districts, 32 for regional districts, 526 for improvement districts, and 27 bylaws for the resort municipality of Whistler.

Orders in Council

The Lieutenant-Governor in Council approved 114 minutes of council. Forty-six of these related to regional districts, 42 to improvement districts, 11 to municipal boundary alterations, and 15 to miscellaneous purposes.

Certificates of Approval

As follow-up to approval of loan authorization bylaws, 65 certificates of approval were issued to loan authorization bylaws and Municipal Finance Authority resolutions. 109 certificates of approval for security issuing bylaws were issued to support Municipal Finance Authority borrowing carried out in 1985/86.

Improvement Districts

The ministry presently administers 327 improvement districts incorporated under the *Water Act* and the *Municipal Act*. 274 of the districts have provision of waterworks or irrigation as their main function; but they may also look after fire protection, street lighting, parks and playgrounds, community halls, sewers, garbage collection, dyking and drainage, and cemeteries. Eighteen districts have dyking, drainage, or land improvement and water quality monitoring as their main object. A further 34 districts have provision of fire protection as their main object, with an additional object of providing street lighting in some instances.

Five new improvement districts were incorporated in 1985/86. Supplementary letters patent were issued during 1985, authorizing extensions and/or revisions in boundaries

for 26 improvement districts; in addition, 1 amendment authorized additional objects, and 4 amendments revised the numbers of trustees.

The inspector of municipalities registered 526 bylaws on behalf of improvement districts. Staff made 12 field trips, visiting 26 improvement districts, attending both public meetings and meetings of improvement district trustees dealing with administration, finance, and regulatory matters.

Regional District Activities

During the 1985/86 fiscal year, 16 new functions were granted to the 28 regional districts. In addition, 26 supplementary letters patent were issued, amending existing functions: altering cost apportionment formulas and tax rate limitations, increasing authorized borrowing for various capital projects, and adding member municipalities.

Specified Areas

Twenty-three specified areas were established in 1985/86. Of these areas, 11 were established by petition and 12 were established after property owners voted for the proposal. In addition, amendments to boundaries of 21 specified areas already established were completed.

Before regional government was introduced, community services administered locally in non-municipal areas were provided through the incorporation of improvement districts. New local service needs for non-municipal areas (with the exception of water, irrigation, and dikes) are now almost all provided and financed by regional districts.

Many of the specified areas have been established adjacent to municipal boundaries. As demand for further services develops, the trend will be toward encouraging the incorporation of these areas within adjacent municipal boundaries. Isolated specified areas will probably retain their non-municipal status.

MUNICIPAL FINANCIAL SERVICES

Responsibilities

The Financial Services Branch assists in maintaining the financial stability of local government by providing advice on all aspects of local government finance, including current and long-term budgetary requirements and capital financing. In addition, capital financing proposals for local government, all of which require the approval of the inspector of municipalities, are reviewed by the branch.

Developments

During 1985/86, staff from the branch visited 51 municipalities and regional districts to review financial procedures and current problems related to budget, finance and audit matters, and participated in several restructure/incorporation studies. The branch is also represented on the Waste Management Committee, which includes Ministry of Environment staff. During the year, a number of waste management plans were under study.

The following sections present selected financial statistics for municipalities and regional districts. *Data is for the fiscal year of all local governments, January 1st to December 31st.*

Assessment and Taxation

A major revenue source for municipalities in British Columbia is the real property tax, which over the past twenty years has increased from $154 million to $1.7 billion. Of the $1.7 billion, approximately 50% is for school purposes and 50% is for general municipal purposes.

In 1985, net taxable values for general municipal purposes in city, district, town and village municipalities totalled $88.6 billion, an increase of $4.2 billion over the previous year. Prior to 1983, net taxable values for general municipal purposes were determined as a *percentage* of actual value (i.e., fair market value) less exemptions.

Tax Collection

The tax collection picture in municipalities is considered to be the primary indicator of administrative effectiveness as well as of the ability of the taxpayer to meet the municipal tax levy promptly. In 1984, approximately 95% of the taxes levied were collected, up slightly from 1983. Although economic factors have a substantial effect on tax collections, municipal treasurers and collectors are to be congratulated for their continued effort in maintaining this high rate of tax collection.
For 1984 data, see the ministry publication, *Municipal Statistics*, 1984.

Revenues and Expenditures

1984 audited financial statements indicate that British Columbia municipalities and regional districts continued to maintain a favourable financial position. Gross revenues from all sources (including collections for other governments) during 1984 equalled $2.65 billion, an increase of $67 million over 1983.

REVENUES

	1984 ($ Millions)	1983 ($ Millions)	Increase $ Millions)
General Municipal Taxation	852	817	35
School Taxation	857	852	5
Contributions, Grants and Subsidies	289	301	– 12
Revenue From Own Sources	652	613	39
	2,650	2,583	67

Home owner grants increased by $5,000,000 in 1984 to a total of $230,000,000. When this is offset against the school tax levy of $857,000,000, a balance of $627,000,000 remains to be borne by the property owner.

EXPENDITURES

	1984 ($ Millions)	1983 ($ Millions)	Increases ($ Millions)
General Government	189	181	8
Fire Protection	146	137	9
Administration of Justice	195	190	5
Public Works	174	170	4
Sanitation and Waste Removal	90	87	3
Recreation and Culture	213	204	9
Education	857	857	—
Debt Charges	275	252	23
Capital Expenditure From Revenue	89	93	(4)
Other*	422	412	10
	2,650	2,583	67

* Includes public health, social welfare, utilities, and contributions to reserves and other funds.

Reserves and Surplus

The total amount of statutory reserves, operating reserves, and surpluses held in the accounts of all municipalities and regional districts at the end of 1984 was $1,151,000,000. This represents 64% of municipalities' and regional districts' total revenue, excluding school taxes. Of this total, $693,000,000 is held in liquid form or in investments authorized by statute. A portion of the surplus is represented by arrears of taxes and other receivables.

Statutory reserve funds of municipalities and regional districts have again shown an increase over the previous year. At the end of 1984 these funds, held for a variety of purposes, amounted to $396,000,000, an increase of $29,000,000 over the previous year. In addition, approximately $83,000,000 was spent on capital works from reserve funds during the year 1984.

Summary of Five Year Capital Expenditure Programs

The programs submitted by municipalities and regional districts during 1985, and covering the five year period ending 1989, continued to provide useful information and guidance, not only to the local government bodies involved, but also the ministry, other levels of government, and various financial institutions. Review of these submissions and the constructive criticism offered by the ministry, where necessary, have led to a consistency in program format, proving beneficial to all concerned.

A summary of capital expenditure programs by years is provided in Table 2. Included in the **General** heading are all capital expenditures for roads, sidewalks, public buildings, recreational facilities, land, and other capital projects not related to water or sewer systems. As in the past, municipal councils are attempting to finance a large portion of their capital works out of current operating and reserve funds, although the availability of federal-provincial loans and the infusion of capital funds via specific purpose grants have had a direct effect on this policy.

Borrowing

During 1985, councils and regional boards continued to meet a substantial demand for municipal services, and 90 loan authorization by-laws were approved by the Inspector of Municipalities and subsequently adopted by the local government body providing the service. Borrowing of $56,688,586 (Cdn) as summarized in Table 3 is $41,461,530 less than was authorized in 1984, due primarily to the decrease in water and sewer works. Completion of the various projects authorized will be phased over a number of years, and the demand for funds will follow the pace of construction. Included in the authorized borrowing is $3,087,611 in short term loans that are subject to a per capita limitation under the *Municipal Act*.

The Inspector of Municipalities is not required to approve the borrowing of the City of Vancouver and the metropolitan water and sewer boards. Such borrowing is, therefore, not included in Table 3.

Preliminary borrowing of an estimated amount of $10,362,986 was approved for local improvement works. A number of municipalities have established special improvement funds to finance local works; these have not been included in the figure for preliminary borrowing approval.

At December 31, 1984, debenture debt of $28,511,573 was guaranteed by the province under the *Municipal Act* (debt assumed from improvement districts by municipalities,

formerly issued under the *Improvement Districts Assistance Loan Act*), the *Municipal Aid Act* and the *Greater Vancouver Sewerage and Drainage District Act.*

GUARANTEED DEBT - December 31, 1984

	$
Municipalities and Regional Districts* (excluding Vancouver)	8,897,573
Greater Nanaimo Sewer District	89,000
Greater Vancouver Water District	4,229,000
Greater Vancouver Sewerage and Drainage District	15,296,000
	28,511,573

Total issued and outstanding debenture debt as at December 31, 1984, of all municipalities and regional districts, including the City of Vancouver, was $1,515,826,462.*

*For detail, see the ministry publication, Municipal Statistics, 1984.

The percentage of current revenue expended to service debenture debt (excluding debt for water and other utilities) increased to 7.30% in 1984 from 7.01% in 1983. The debenture debt of water and other utilities is serviced almost entirely by consumer charges and frontage taxes.

Profile of the Historical Relationships Between Provincial Personal Income, Building Permit Value, Local Population, Revenue, and Debenture Debt

Year	Population	Total Revenue[1]	Building Permits[2]	Debenture Debt	Total B.C. Personal Income[2]
1961	100	100	100	100	100
1976	156	618	571	254	603
1977	163	666	843	306	669
1978	167	752	802	328	759
1979	170	827	1,060	366	865
1980	177	1,039	1,422	413	1,004
1981	180	1,276	1,713	455	1,173
1982	180	1,423	1,041	511	1,285
1983	181	1,445	1,078	562	1,349
1984	183	1,483	965	587	1,410

[1] Includes general municipal revenues, collections for other governments, and revenues of regional districts and utilities.

[2] Information provided by Central Statistics Bureau, Ministry of Economic Development.

FIVE-YEAR CAPITAL EXPENDITURE PROGRAM SUMMARY BY YEAR FOR ALL MUNICIPALITIES (INCLUDING VANCOUVER)

CLASSIFICATION OF EXPENDITURES

	Water	Sewer	General	Total
	$	$	$	$
1985	53,010,976	76,888,050	450,606,755	580,505,781
1986	35,123,121	48,844,887	328,594,738	412,562,746
1987	37,434,651	46,901,759	319,038,719	403,375,129
1988	33,996,903	55,393,015	323,055,112	412,445,030
1989	53,115,342	55,300,926	294,444,609	402,860,877
Totals	212,680,993	283,328,637	1,715,739,933	2,211,749,563

PROPOSED SOURCE OF FUNDS

	General Revenue	Grants	Reserve Funds	Debenture Sales	Other	Total
	$	$	$	$	$	$
1985	110,297,887	27,108,827	180,645,172	218,795,279	43,658,616	580,505,781
1986	111,020,923	20,632,013	103,994,364	159,207,595	17,707,851	412,562,746
1987	102,332,832	23,620,109	89,115,797	166,000,316	22,306,075	403,375,129
1988	100,864,022	20,547,367	92,205,363	178,206,455	20,621,823	412,445,030
1989	96,658,542	18,911,247	85,650,661	167,435,142	34,205,285	402,860,877
Totals	521,174,206	110,819,563	551,611,357	889,644,787	138,499,650	2,211,749,563

BORROWING AUTHORIZATION, 1985

Purpose	Regional Districts	Cities	Districts	Towns	Villages	Total
	$	$	$	$	$	$
Waterworks	3,320,000	1,025,298	2,499,000	—	1,453,422	8,297,720
Sewers	90,000	21,935,320	2,645,950	825,000	—	25,496,270
Parks and Recreation	1,595,000	1,740,000	3,814,000	—	7,966	7,156,966
Civic Buildings	2,100,000	350,000	4,760,000	340,000	—	7,550,000
Equipment (Including Fire Protection)	936,415	329,600	110,000	180,000	92,120	1,648,135
Other Tangible Assets*	1,436,400	2,917,320	2,113,575	—	72,200	6,539,495
Totals	9,477,815	28,297,538	15,942,525	1,345,000	1,625,708	56,688,586

* Other tangible assets include land assembly, road improvement and sidewalks, and storm drainage.

DEVELOPMENT SERVICES BRANCH

Responsibilities and Objectives

Branch staff provide professional advice and assistance to the ministry and to local government with respect to local government planning and regulatory bylaws. The branch also works with other sections of the ministry, other ministries, and local government on community development problems and managing the impact of large-scale resource development projects on communities and settlements. The provision of complete planning services to the Islands Trust was added in September 1985.

The objectives of the branch in performing these duties include

- the promotion of efficient and effective community development planning, particularly on matters of provincial interest, through direct and ongoing contact with local government staff;
- the development and promotion of a simpler approach to rural planning;
- ensuring that policies and programs of local government and the Ministry of Municipal Affairs on major development projects are efficiently co-ordinated with those of other ministries and the private sector;
- the development and promotion of a more comprehensive and cost conscious approach to community and settlement planning in relation to the servicing and management of growth;
- the ongoing review and improvement of legislation, regulations, and operating procedures to expedite the development approvals process and related branch programs.

Developments

In early 1985 a ministry decision was made to discontinue the technical services (mapping) function of the branch. This reduced the branch complement to 14 positions.

In September 1985, as a result of legislative action responsibility for the provision of planning and administrative support services for the Islands Trust was transferred to the branch. The manager of the projects section assumed responsibility for managing the trust.

The programs section became responsible for:

- providing assistance to local governments in the preparation and updating of plans and bylaws, and reviewing plans and bylaws submitted to the minister and inspector of municipalities for approval;
- developing and advising on technical policy and standards for the content of these plans and bylaws;
- providing community planning services to Dease Lake and Atlin in the Stikine Region;

- investigating the effectiveness of current enabling legislation and recommending amendments where appropriate;

- representing the ministry in the provincial government's review of major resource development projects; and

- developing policy on community planning and land use issues having province wide significance.

The responsibilities of the Islands Trust and projects section include:

- providing community and rural planning services to the Islands Trust (see Islands Trust report for details), and

- reviewing and advising on the socio-economic and community impact of resource and other development projects submitted under provincial government guidelines.

Since 1978/79, the branch has played a major role in preparing draft legislation which would make significant changes to the enabling authority of local government for planning and development control. At the end of June 1985, Bill 62, the Municipal Amendment Act, 1985, was introduced to the legislature. By the late fall, following extensive review of the proposed legislation by interested organizations, including the Union of British Columbia Municipalities, amendments were introduced. Shortly after, on December 2, 1985, Part 29 of the Municipal Act came into effect. The branch then turned its attention to introducing the legislation to municipalities. Meetings were held throughout the province to explain the new legislation and guides and circulars were prepared and others initiated.

Plans and Bylaws

The branch receives and process official plans and implementing bylaws for consideration by the minister, and provides recommendations on their approval, alteration, or rejection. The branch also provides advice to the Inspector of Municipalities on official community plans and implementing bylaws submitted for registration by villages.

During 1985/86, 490 land use plans and bylaws were approved by the minister as follows:

	1984 Totals	1985/86 Total
Municipalities and Regional Districts Authorization for Floodplain Development (*Municipalities Enabling and Validating Act*, Section 187)	221	142
Regional Districts Official Settlement Plans or Zoning and Subdivision Bylaws	382	285
Islands Trust Official Community Plans or Zoning and Subdivision Bylaws	60	44
Resort Municipality of Whistler	26	19
Total	689	490

This is down from 689 bylaws in the previous year, which indicates that two measures taken by the branch are having a positive effect. In 1985, regulations were enacted under the *Municipalities Enabling and Validating Act*, Section 187 making it possible for bylaws in several areas in the Fraser Valley flood plain to be adopted without referral to Victoria. Continued emphasis of the ministry and branch on having regional districts adopt official community plans has resulted in the need for fewer approvals in Victoria. Once a plan is adopted for an area, there is no longer a requirement for implementing bylaws to be approved by the minister prior to adoption. As more areas are covered by these plans considerable time and effort is being saved during the development approvals process.

The branch continues to review and advise on all regional district land use plans and bylaws even though most of these do not require ministerial approval. Through a system established by the branch following the loss of technical planning committees in 1983, all regional district land use bylaws are referred to key provincial agencies, including the Development Services Branch, for comment. This is done early in the bylaw preparation process, either at time of application or after first reading. It ensures that provincial interests are noted and considered by a regional district, and is done expeditiously so as not to delay the approvals process.

Planning Grants

The Planning Grant Program under the *Revenue Sharing Act*, which supports regional district and municipal planning activities, is administered by the Development Services Branch. In 1985/86, the minister approved planning grants in the amount of $220,300 for regional districts and $627,450 for municipalities, for a total of $848,750. Funds were made available for the preparation of official community plans in municipalities that did not previously have plans, or,

- the development of new, official settlement plans in developing areas on the fringes of municipalities.

- to amend official plans in areas where major economic activity is underway or anticipated, and

- to amend plans where they have been in effect for more than five years.

This was the second year of a decline in planning grant approvals. The 1984 total was $1,158,504.

During 1985/86 Revenue Sharing Act regulations were changed to enable the funding of economic development strategies and marketing programs under the Provincial-Municipal Partnership Program. (For details see the Central Services Branch report). At that time comprehensive development planning was also added to the list of eligible projects for grant support. While no funds were allocated in 1985/86 for this new planning approach, it is anticipated that funds would be available for comprehensive development planning in 1986/87.

Resource Development Project Review

The objective of branch and ministry involvement in the provincial government's review of major resource projects is to ensure that land and critical community services required by a project and its workforce are provided expeditiously and cost effectively. During 1985/86, reviews of ten mine developments and one energy project were completed.

Notable amongst these projects were Gulf Canada's proposed Mt. Klappan coal project in the Stikine region of the province and Crowsnest Resources Ltd.'s Telkwa coal mine in the vicinity of Telkwa and Smithers. In addition, branch staff participated in public hearings initiated by the federal and provincial governments on the management of the potential impact of proposed offshore oil exploration by Chevron Canada Ltd. in the Hecate Strait and Queen Charlotte Sound areas.

CENTRAL SERVICES BRANCH

Responsibilities

Central Services is responsible for the coordination, provision, and maintenance of support services for statutory programs including services related to finance, personnel, office administration and the Downtown Revitalization Program.

The Financial Services section provides accounting, payroll, budget preparation, and financial reporting services for all ministry programs. It also administers the Municipal Revenue Sharing Program, the Local Services to Provincial Property Program, and Home Owner Grant legislation. These programs are designed to assist the capital and operational requirements of local governments and represent approximately 98% of the ministry's annual expenditure.

Personnel Services is responsible for providing the ministry with staffing, labour relations, and staff development services.

Office Administration Services provides the ministry with central facilities management (pertaining to space, records, communication, mail, computer systems, assets inventory) and related office services.

The Downtown Revitalization Program supports business core revitalization and marketing initiatives of local government by providing funding for consulting, concept development and capital projects.

FINANCIAL SERVICES SECTION

The Financial Services Section is responsible for performing the accounting and fiscal control functions within the ministry.

The section processes all ministry revenues and expenditures and prepares financial reports for each ministry program. The section is also responsible for the preparation of the ministry estimates of expenditure and provides various services to program areas in support of this activity.

In addition to the provision of financial support services for the ministry's programs, the section also administers extensive statutory grant programs such as Revenue Sharing, Home Owner Grant, Municipal Aid, and various other grant programs.

PERSONNEL SERVICES

Services provided by this office to the staff and management of the ministry include management of employee and labour relations, administration of salary and other compensation systems, union contract interpretation and administration of union contracts, recruitment and staff development, work performance evaluation, and organizational and manpower planning.

OFFICE ADMINISTRATION

Office Administration Services supports ministry programs by providing office space coordination, communication, and facilities/records management, building security, mail and courier delivery, computer systems development, and inventory control.

During 1985, Phase I of the Ministry systems plan was initiated with the installation of a Hewlett-Packard 3000 Series 42 mini-computer. The system will provide integrated office automation capability and allow for the development of municipal data systems.

DOWNTOWN REVITALIZATION PROGRAM

The Downtown Revitalization Program was introduced in 1980 with $25,000,000 committed through the *Special Funds Act 1980* to assist municipalities in rejuvenating their business cores. Through grants and low interest loans, the program brings together merchants, municipal councils, and provincial agencies to undertake concept plans, marketing strategies, and street beautification works.

Six forms of financial assistance are available under the program:

1. Start-up Grant - a $5,000 grant to initiate concept plans and initial works.

2. Design Advance Loan - a $10,000 loan advance for detailed working drawings and cost estimates.

3. Capital Improvement Loan - 75% of capital cost loan to undertake project(s).

4. Facade Improvement Grant - a grant of 20% of costs to improve shop fronts up to a maximum of $200 per metre.

5. Promotion Aid Grants - a 25% grant determined by formula to assist merchants in organizing and promoting the downtown business area.

6. Special Area Loan - an alternate funding arrangement that may be used by the Ministry if it is decided that a municipality's revitalization project is beyond the scope of the other forms of financial assistance provided under the program.

In 1985 additional municipalities were designated for downtown revitalization, bringing the number of municipalities taking advantage of the program to 131 out of 144 .

During 1985 capital improvement loans totalling $4,514,000 were approved and paid by the ministry on 17 projects bringing the total number of capital projects to over the 5C mark. Design Loans totalling $140,000 were also approved to assist areas in finalizing project working drawings and costing. Since 1980 continued loan and grant payments to municipalities under the program totalled $19,036,000.

Over the last 5 years, the program has had considerable economic impact on the fabric of downtown cores throughout the province. The main effects are: an increased assessment base; new commercial buildings; job creation, and; consumer acceptance of the stronger marketing presence of the merchants in the core centre.

PROVINCIAL-MUNICIPAL PARTNERSHIP PROGRAM

The Provincial-Municipal Partnership Program is based on the principal that **provincial economic renewal will possess no long term stability unless it is firmly rooted in the province's communities and is, at least in part, a product of their own initiative.** By the end of the the 1985/86 fiscal year it was operative in 127 of the province's 144 communities.

The program is designed to foster municipal initiatives toward job creation without the direct application of subsidies or the erosion of municipal tax bases. It operates in three basic areas:

1) *TAX INCENTIVES FOR NEW AND EXPANDING INDUSTRY*: 50 to 100 per cent relief from municipal property taxes matched by a 50 percent reduction in provincial non residential school taxes for class 5 industry.
2) *ECONOMIC DEVELOPMENT TOOLS FOR LOCAL GOVERNMENT* including funding for economic development strategies, officers and committees; promotional materials; studies, data banks, trade mission participation, etc. in close consultation with the Ministry of Economic Development's Community Economic Development Branch (then part of the Ministry Of Industry and Small Business Development).
3) *EDUCATION FOR LOCAL GOVERNMENT IN ECONOMIC DEVELOPMENT* such as the comprehensive development planning demonstration project and economic development seminars for local officials.

Allowing local governments to offer property tax relief to new or expanding industry is one means of inducing this economic activity and is an important aspect of the program. However, since the application of tax relief is essentially automatic once the agreement has been signed, it requires little community commitment. Other types of activity, including planning, promotion and direct pursuit of investment, are essential if the local government is to fulfil its potential as an agent of economic development.

The community's economic development strategy, 50 per cent funded by the ministry, is the first step in mobilizing toward self-directed economic development. Once complete the strategy acts as a game plan to guide the active pursuit of investment by the community. It should specify areas of economic potential, aspects of the community which need improvement if new investment is to be attracted and outlines a program of pursuit. Equally important, the strategy-making process acts as a catalyst to spark community involvement. To give the community a tangible means of pursuing

investment the ministry also offers to fund and assist in the publishing of a promotional brochure aimed at investment audiences.

More than anything else -- beyond tax relief and individual incentives -- the program is about *changing attitudes* within municipal governments toward their traditional, ie. relatively inactive and sometimes obstructive role concerning economic development. The ultimate objective is job creation.

Program Status

The Provincial-Municipal Partnership Program completed its enrolment period in 1985/86, firmly establishing itself 127 communities. The program is moving on an uneven front into its second phase, depending on the readiness of the community:

I. **Commitment**
II. **Strategic Planning**
III. **Economic Development Activity**

It is our policy to help the communities who are most advanced in their approach to the program first, while encouraging others to wake up to its potential. Most of the larger communities within the program are well underway with fully operative economic development strategies. Five pilot economic development strategies were completed. These were used to prepare an economic development manual to assist municipalities in undertaking the complex task of preparing an economic development strategy for their community. This manual, the first in Canada, was circulated to all municipalities.

1984/85 MUNICIPAL REVENUE SHARING PROGRAM

Provisions of the *Revenue Sharing Act*, effective April 1, 1978, replaced the existing $34.00 per capita grant under the *Municipalities Aid Act*, as well as the Interim Revenue Sharing Program. Under the revenue sharing formula, the annual combined dollar yield of 1 personal income tax point, and 1 corporate tax point, plus 6% of renewable resource, non renewable resource, and sales tax revenue is distributed in the form of municipal and regional district grants. The grants are distributed as follows:

1. The Basic Municipal Grant is worth up to a maximum $60,000 annually depending on the size and fiscal capacity of the municipality. Supplementary Basic Grants are available for municipalities with populations below 2,500.

2. Water and Sewer Facilities Grants are provided by a formula that determines the provincial contribution in relation to municipal debt servicing costs and assessment. A new Sewer Grant Program, consisting of front-end capital cost grants, was introduced in 1983.

3. The Municipal Major Road Grants Program provides up to $15,000 annually.

4. Municipal Planning Grants are available on an approved, cost sharing basis.

5. Administration Grants, Planning Grants, and Basic Grants are available to regional districts. The Basic Grant is $30,000 annually per regional district. The Administration Grant is $10,000 annually per regional district. Planning Grants are available to municipalities and regional districts on the basis of application.

6. The Unconditional Municipal Formula distributes assistance according to population, expenditure, and tax base.

7. Local Government Restructure Assistance is available for the creation or amalgamation of municipalities as well as for certain boundary extensions and policing costs.

8. Grants for the laying of underground utility lines provide up to $300,000 annually to municipalities on an approved, cost sharing basis.

9. Sewer and Water Study Grants provide 100% of the first $5,000 and 50% of the next $10,000 to a maximum of $10,000.

Revenue sharing expenditures for 1985-86 totalled $210,008,593 from an appropriation of $235,000,000.

Under authority of the Revenue Sharing Act and Regulations, grants were made to municipalities and regional districts on the following programmatic basis.

	$
Municipal Basic Grants	6,266,025
Water Facilities Assistance Grants	39,722,668
Capital Grants: Water Systems	1,970,991
Capital Grants: Sewerage Systems	898,565
Sewerage Assistance Grants	60,672,857
Major Municipal Highways Grants	5,358,796
Municipal Planning Grants	618,650
Regional District Basic Grants	840,000
Regional District Administration Grants	280,000
Regional District Planning Grants	152,700
Municipal Unconditional Grants	90,369,844
Utility Line Undergrounding Grants	54,473
Municipal Restructure Grants	2,580,173
Sewer and Water Study Grants	222,851
	210,008,593

MUNICIPAL COMMERCIAL VEHICLE LICENCE PROGRAM

One hundred and twenty-six municipalities participated in the Municipal Commercial Licence Program during the 1985 licence year. Sales of vehicle plates under this program, which is administered by the ministry on behalf of the municipalities, generated approximately $670,000 in revenue which was distributed to participants on a per-capita basis.

POLICY AND RESEARCH BRANCH

Responsibilities

The central function of the branch is to provide policy support, program evaluation, and research services to the ministry. The branch also participates in the delivery of certain ministry programs, most notably financial assistance, advisory services, local government structure, and settlement planning. Routine work of an executive support nature is also performed by the branch.

The branch contributes to local government policy making in four distinct fields:

* urban systems policy
* community development policy
* local finance and tax policy
* local organization and development policy.

Program evaluation and research services are provided to the ministry with the twin aims of facilitating adaptation to changing conditions and integrating corporate policy.

In 1982, the branch developed a framework for its policy and research efforts. Some elements of 1985/86 work program reflect this framework while other elements responded to the present needs of executive and local government clients. In the 1985/86 year, the branch's objectives focused on:

* regional district and local government liability legislation
* local fiscal policy
* community development policy
* program administration
* policy research

Developments

Branch staff provided research support for a comprehensive review of regional district legislation (Part 24 of the *Municipal Act*) . This represents the first complete examination since the inception of regional districts in 1965. The branch organized a significant research effort and produced reports on regional district empowerment, local government in rural areas, management of urban fringe areas, problems of benefiting areas and principles for provincial intervention in local and regional affairs. It is anticipated that legislative proposals will be prepared for introduction in 1986. These will be reviewed initially by the Regional District Legislation Review Committee, an ad hoc committee of provincial, local and private sector representatives.

Another major legislative initiative slated for 1986 is local government liability legislation. Branch staff participated in a problem analysis in 1985/86.
The branch devoted significant resources to local fiscal policy. An analysis of property tax exemptions was undertaken and a review of the taxation of non Indian occupiers of Indian reserve land was completed. A review of water utility cost recovery methods was completed. The concept of business improvement areas was investigated. Finally the farm residence exemption as it applies to newly incorporated municipalities was reviewed. Each of these assignments contributed to a general understanding of the theory and practice of local finance, especially in relation to property taxation.

Community development policy was a third focal point for the year. The branch participated in provincial planning for the dissolution of Ocean Falls Corporation and the transfer of assets to a newly incorporated Ocean Falls Improvement District. The branch continued to address the problems of company towns, like Cassiar and Woss, and to assist in examining the possibilities of local self-government. The branch participated with the Ministry of the Environment on a retrospective look at the impact of the Revelstoke Canyon Dam on adjacent communities. A significant study of compensation/mitigation resulted.

The branch continued to be responsible for the administration of a number of programs. Most importantly, calculation of the distribution of the Part I basic and Part VIII unconditional grants under the Revenue Sharing Program was once again completed. A significant new initiative was the preparation of a proposal to redesign the administrative forms used for Home Owner Grant purposes. Finally, the branch bore much of the initial responsibility for explaining the implications of the Provincial-Municipal Partnership Act to municipal staff.

The major research accomplishment in 1985/86 was the completion of a comprehensive analysis of property tax burdens by property class for 1984. In addition some progress was evident in increasing the ministry's capacity to monitor the local government financial system: an experimental municipal finance analysis system was developed; and a client focused evaluation of the ministry's municipal finance information system as a tool for comprehensive planning at the local level was completed.

Overall, the branch's project inventory shows more than 75 assignments were completed during the year by its five staff analysts. This was in addition to a substantial number of more routine assignments. Other typical assignments included:

* coordination of responses to the 1985 UBCM resolutions
* review of the community implications of various resource and industrial development proposals
* briefing of executives on community issues
* completion of a systems plan for the ministry, following up on work initiated the year previous.

Efforts continued to increase the branch's productivity through the use of micro-computers. An additional micro-computer was acquired and a terminal connecting the branch to the ministry's new central processor was installed. New data bases were developed and existing bases were updated. Efforts to document staff developed information systems intensified.

INVESTIGATIONS BRANCH

Responsibilities

The Investigations Section works within the Office of the Inspector of Municipalities. It was established to provide a central unit that could address the various complaints made about local governments by those aggrieved primarily over perceived procedural failings.

Developments

Activities in the section focus on two main areas; seeking resolution of formal complaints regarding municipal procedures, and explaining the roles and practices of local governments to those who see a particular action as unacceptable or perhaps inexplicable. There is a considerable volume of correspondence in the latter category, indicative of a fairly broad misunderstanding of the range of powers available to local boards and councils. To the extent possible, the section strives to provide detailed explanations of the applicable statutes and their application to the correspondent's situation. There seems an evident need to increase the dissemination of knowledge at some point, given the significant impact local government activities may have on individual taxpayers, both directly and indirectly.

The category of formal complaints which involve land use issues, zoning, building regulations, nuisances and disturbances, seem to be on the increase and, as could be expected, they are more prevalent in the major population centres. At the same time there is increasing difficulty in resolving such matters as there is an trend developing to seek solutions through the legal system. The time and cost of this approach can prevent ordinary citizens from seeking redress in this manner, thus allowing certain situations to remain unresolved, possibly resulting in a lack of fair and natural justice.

In general there continues to be a high level of cooperation by locally elected and appointed officials.

BUILDING STANDARDS BRANCH

The branch provides a complete support service on the use and application of the Provincial Building Code, regulations and related standards: it supplies technical support for the Building Code Appeal Board; prepares branch amendments and evaluates any changes proposed by the public to the Building and Plumbing Codes; assesses new building and plumbing materials and systems submitted for approval for use in the province; and develops new codes for specific purposes. The branch also maintains close contact with both the federal government and standards branches in other provinces. Technical advisory service is supplied to other provincial ministries, the general public, and to all other users of the Building Code in the construction industry.

Developments

This year the branch provided technical research for 46 submissions to the B.C. Building Code Appeal Board regarding the application on interpretation of the Building and Plumbing Codes and the approval of alternate materials and systems. In addition a total of 101 formal branch opinions or approvals were researched. In the same period many thousands of code disputes and problems were resolved by the branch's building standards officers by means of the telephone advisory service or correspondence in order to avoid the time delays of the more formal written submission processes.

Several branch bulletins were issued covering significant problem areas of concern to building inspectors, designers or contractors throughout the province. Branch staff have been very active in standards writing committees at the national level in both building and plumbing fields. B.C. Building Code changes were debated at two public meetings held in Kelowna and Vancouver, and as a result, a comprehensive series of code changes will be incorporated into the new B.C. Building Code to be published later this year. A new edition of the B.C. Plumbing Code will also be published incorporating extensive changes, drafted this year by the branch, to serve the specific problems encountered in B.C. During the year branch staff conducted several seminars and made presentations at several national conferences held within the province.

ENGINEERING SERVICES

Responsibilities

The branch provides engineering support for ministry programs, and an advisory service to municipalities and regional districts. Because of its small size, it relies heavily on assistance from technical experts in other ministries. In particular, Ministry of Environment provides technical support in the water and sewer fields. Under a formal agreement that ministry supports the Improvement District Program through a liaison engineer, and provides guidance to improvement districts.

Developments

An enhanced Water and Sewer Study Grant Program was introduced this year. Grants totalling $628,000 were approved for seventy-nine municipalities and regional districts, for studies to better define and support capital improvement projects. As part of the Water and Sewer Capital Grant approval process, one hundred and twenty three projects from forty-seven jurisdictions were assessed for cost effectiveness and technical priority. Projects submitted for grants were more carefully planned, and generally limited to essential projects. This may be attributed to the Study Grant Program, the reduced level of capital grant and the general state of the economy. In this regard, independent studies completed in this year suggested that the level of municipal investment in infrastructure is deficient with respect to maintenance, repair and replacement; and expressed concern over the poor condition of facilities.

The branch participated in several inter-ministry group tasks, including a review of sewage handling alternatives for Snug Cove on Bowen Island. Again, advice was also provided on a number of municipal servicing questions including high cost projects and inter-municipal negotiations.

Improvement District Program

For the Improvement District Program, the technical aspects of eleven by-laws were examined. Recommendations were made on twenty-eight requests for release of special trust funds. The branch examined the technical implications of incorporating one proposed improvement district for water supply and one for lake level control, and of amalgamating two districts. Eighty miscellaneous investigations and reports were made on complaints, enquiries or agreements regarding costs, water sources and licensing, water quality and treatment, waterworks, proposed extensions of water systems, easements, and related legal considerations and waterworks management policies. Installation of water system renewals or extensions by three districts were monitored by on site inspections. Proposals for major projects were appraised or engineering studies undertaken for twenty-three improvement districts.

COMMUNICATIONS BRANCH

In June, 1985 the ministry established a communications branch to further relations with its clientele and the general public. The branch researches public/client opinion and provides quality print and spoken materials, audio visual support, positive media relations and careful, accessible interpretation and dissemination of information on ministry activities. The objective of the branch is to improve widespread awareness and understanding of the ministry's purpose, policies and programs.

During 1985-86 the branch concentrated on promoting the Provincial-Municipal Partnership Program throughout its enrolment period. The advantages of the program were extolled to municipal governments through a variety of means including a newsletter, Profiles in Partnership, numerous updates and direct personal interpretation. These were instrumental in achieving a 93 per cent acceptance of the program by B.C. municipalities. The branch also began assisting municipalities in using the program, particularly in their promotional efforts aimed at attracting investment and new industry.

The branch provided editorial and production management services for audio visual presentations including a 20 minute production on comprehensive development planning. Numerous ministry publications were produced, and ongoing advice and assistance were proferred to branch directors on communications and public relations matters.

The deputy and minister were advised on comprehensive communications support for ministry programs. The branch provided issue related responses and announcements through news releases and other materials.

ISLANDS TRUST

Responsibilities

The Islands Trust was established in 1974 by an Act of the British Columbia Legislature. The Act states that the object of the trust is "to preserve and protect, in co-operation with municipalities and the Province generally, the trust area and its unique amenities and environment for the benefit of the residents of the Trust area and of the Province generally." The trust area includes islands and waters between the Canadian mainland and the south half of Vancouver Island. It contains some 5000 square kilometres, including some 775 square kilometres of land on 500 islands.

The trust includes a general trust committee, which deals with general affairs (i.e., matters that involve the trust's mandate and are of importance to more than one designated group of islands, or concern islands not in a designated group). Three general trustees (including the chairman of the trust) make up this committee.

The trust also includes a local trust committee for each of 13 groups of designated islands. This committee is responsible for all local affairs (i.e. matters that involve the trust's mandate, but that are of importance primarily within one designated group of islands).

The voters in each designated island group elect two local trustees, who serve a two-year term. The general trustees are elected by the local trustees, from among their number. The two local trustees and the three general trustees make up the Local trust committee for each island group.

The principal island in each designated group is listed below:

Bowen
Denman
Gabriola
Galiano
Gambier
Hornby
Lasqueti
Mayne
North Pender
Salt Spring
Saturna
South Pender
Thetis

The trust's principal authority is with respect to community planning and the regulation of land use and development. It is also required to advise the Lieutenant Governor in Council with respect to its mandate and to work with other government agencies.

Developments

In September 1985, following an amendment to the *Islands Trust Act*, the trust staff were reduced from eight positions to five. The remaining staff were transferred to the Development Services Branch of the Ministry of Municipal Affairs, which assumed responsibility for the provision of planning and administrative support to the Islands Trust. The new arrangements have been working very well. A closer working relationship with the ministry has developed which has facilitated the trust's efforts in working co-operatively with other government agencies.

In the summer of 1985, the trust initiated work on a written interpretation of the trust object as stated in Section 4(1) of the *Islands Trust Act*. The review of the object interpretation included input from staff of all agencies which work with the trust. In general, the response to the object from staff of other agencies was positive. The staff representatives generally viewed the interpretation of the object as compatible with the goals and aims of their own agencies in the trust area. In addition, a number of areas of co-operation to be pursued in the future by the trust and various agencies were identified.

During 1985/86, the trust revised its approach to bylaw enforcement to improve efficiency and to ensure equitable treatment of all violations. Regular and established procedures were developed for inspection, issuing notices and warning letters, and preparing for court proceedings, and one staff person was designated for co-ordination of the program.

In addition, in 1985/86, the trust reviewed its internal procedures for bylaw and official community amendments, permits, and referrals from other government agencies. A number of improvements were made to these procedures to increase efficiency.

Finally, work commenced on conversion to metric of the base maps for the zoning bylaws for all designated islands.

Finance

The 1985/86 budget for the trust was $381,500. The trust's expenditures are partly funded by a taxation of property in the trust area. Taxation of this property raised $195,000 in 1985/86.

Research and Publications

In 1985/86, the Islands Trust initiated work on a series of position papers and model bylaws. The intent of these publications is to provide assistance to the local trust committees in the preparation and amendment of plans and bylaws. The position papers and model bylaws recommend approaches to various issues, but do not represent the policy of any local trust committee. The *Islands Trust Act* provides that each local trust committee has the authority to develop land use regulations for their area. Position papers on home occupation and bed and breakfast were completed and will be published in 1986.

In addition, in 1985/86, the Islands Trust produced a video presentation outlining the mandate and functions of the trust. The video was prepared to improve the awareness and understanding of the trust and its operation amongst residents of the islands and the province in general. A copy of this video will be located on each designated island in 1986.

Local Affairs

The following table outlines the level of activity related to the plans and plan implementation in the trust area undertaken by the local trust committee in 1985/86

	From April 1,1985 To March 31, 1986
Local Trust Committee Meetings Held	39
General Trust Committee Meetings Held	14
Bylaws Adopted	48
Bylaws in Process at Year End	49
Public Hearings Held	24
Subdivision Approval Applications Reviewed	91
Crown Lease Applications Reviewed	57
Siting Permit Applications Received (for Hornby and Denman Islands only)	33
Agricultural Land Reserve Development Applications Reviewed	19
Development Permit Applications Received	30
Board of Variance Applications Received	31
Development Variance Applications Received	4

APR 01 1987